

Clearfield City's Down Payment Assistance Program

Administered by Davis Community Housing Authority

July 2016

Amended August 2016

The Davis Community Housing Authority (DCHA) will be administering Clearfield City's Down Payment Assistance (CCDP) funds. This program is a federally funded grant program that will assist qualified first time home buyers with a maximum grant amount, as needed, shall not exceed \$3,000 to first time home buyers who are in need of assistance to purchase a home. The home must be a detached single-family dwelling; townhomes, condominiums, and other attached multiple-family residences are not eligible. The home must be located in Clearfield City and must be owner occupied.

Applicants must be at or below the applicable income limits and be first time home buyers. Definition of a first time home buyer is an individual, and his or her spouse who have not owned a home during the 3-year period ending on the date of purchase of property. The term first-time home buyer also includes a displaced homemaker or a single parent who has only owned a home with a spouse.

Applicants who meet the necessary qualifications will receive their grant on a first come, first serve basis. In order to qualify, the applicant must complete all requirements as outlined in the application instructions.

Grants from the CCDP shall not exceed \$3,000, and will be awarded on a 1 to 1 matching ratio (i.e. a \$1,000 match from the applicant will qualify for a \$1,000 grant; and to qualify for the maximum \$3,000 grant, the applicant must contribute \$3,000). Applicants must contribute a minimum match of \$1,000 of their own money towards the purchase of the home. Earnest money and any buyer pre-paid costs are considered applicant provided funds. The applicant provided funds must be reflected on the settlement statement.

As previously stated, the maximum grant that can be obtained from the CCDP is \$3,000. These funds may only be used for 1) A maximum of ½ of required down payment; 2) Reasonable closing costs not paid by others, and/or 3) Required up-front mortgage insurance.

Repayment requirements: Any funds received through this program will be forgiven at a declining rate over a seven-year residency requirement period. During the required time of residency, 10% for each year of residency will be forgiven over a period of six years with the remaining 40% balance credited after the full seven years of residency is completed. To receive these credits, Buyer(s) will be required to provide proof of residency in the form of utility billings and property tax notices for each year. No credit will be awarded without proof of residency as described above.

The applicant must complete a Housing and Urban Development (HUD) approved homebuyer education class and provide a certificate of completion.

An applicant must receive an approved fixed-rate FHA, VA, or conventional loan. The applicant's Title Company or closing agent must be willing to execute and provide the DCHA with all the real estate documents. A list of instructions will be provided to the agency responsible for conducting the closing transaction. It is the applicant's responsibility to ensure that all documents are properly prepared and forwarded to the DCHA in a timely manner.

The grant provided through this program shall be repaid, to Clearfield City, by the buyer(s), as described above, if the buyer(s) sell, exchange, transfer title, obtain a second mortgage, or decide to refinance for any reason. All grants are non-assumable and no subordinations subsequent to initial financing. **Clearfield City must hold second priority trust deed on the property.** Exceptions: under some circumstances the home owner may qualify for refinancing, with prior authorization from the Clearfield City CDBG Coordinator.

A Visual Assessment must be completed by the DCHA on all homes for health and safety concerns, and for Lead Based Paint concerns for homes built prior to 1978, as outlined in "Attachment A", if the home was built prior to 1978 a representative from DCHA shall perform a Visual Assessment to determine whether there are deteriorated paint surfaces present that could be a potential hazard to occupants. If potential hazardous Lead Based Paint conditions exist, the Seller and/or Buyer must take actions to remove the hazardous conditions, pursuant to HUD guidelines. The Visual Assessment is required by the federal government in order to alert homebuyers to potential health and safety concerns as well as potential lead-based paint dangers prior to the closing. Federal funds may be withheld if certain problems exist and the seller and/or buyer do not wish to mitigate them. The seller or buyer, however, is free to complete the transaction without federal assistance. The homebuyer is encouraged to have a professional inspection regardless of the visual assessment conducted by the DCHA. The visual assessment is not intended to determine the nature and extent of health and safety problems, nor does it determine if unseen problems exist in the home.

Clearfield City's Down Payment Assistance Eligibility Criteria

1. Complete all of the attached CCDP application instructions.
2. Applicant's total annual household income must be equal to or less than 80% of the current area median income as established by HUD. Gross income from **all** household members 18 years or older is counted regardless of who is listed on the title and/or mortgage. Gross income is not limited to job earnings and includes all income such as self-employment, social security, child support, pensions, VA benefits, unemployment income, military pay, etc. Household income is calculated by "a snapshot" of current income at the time the application is submitted and projected for the next 12 months. All known and/or anticipated income that will be received during this time including bonuses, pay increases, etc. must be counted.

80% Area Median Income Limits (AMI) FY 2016

<u>Household Size</u>	<u>Maximum Yearly Gross Income</u>
1 Person	\$40,900
2 Person	\$46,750
3 Person	\$52,600
4 Person	\$58,400
5 Person	\$63,100
6 Person	\$67,750
7 Person	\$72,450
8 Person	\$77,100

3. Applicant(s) must be a U. S. Citizen or Permanent Resident Alien and be 18 years of age or older.
4. Must be a first-time homebuyer. A first-time home buyer is an individual, and his or her spouse who have not owned a home during the 3-year period ending on the date of purchase of property. The term first-time home buyer also includes a displaced homemaker or a single parent who has only owned a home with a spouse. The home shall also be owner occupied.
5. Eligible Boundaries: Within Clearfield City.
6. Eligible properties must be zoned for residential use only and are limited to a detached single-family dwelling; townhomes, condominiums, and other attached multiple-family residences are not eligible. New construction, including never-occupied homes are not eligible.
7. Grants from the CCDP shall not exceed \$3,000, and will be awarded on a 1 to 1 matching ratio (i.e. a \$1,000 match from the applicant will qualify for a \$1,000 grant; and to qualify for the maximum \$3,000 grant, the applicant must contribute \$3,000). Applicants must contribute a minimum match of \$1,000 of their own money towards the purchase of the home. Earnest money and any buyer pre-paid costs are considered applicant provided funds. The applicant provided funds must be reflected on the settlement statement.
8. Applicants who meet the eligibility requirements may receive grants, based on need, up to \$3,000. The down payment assistance funds can only be used for:
 - A. No more than ½ of the down payment required for the loan to purchase the home.
 - B. Reasonable closing costs not covered by others.
 - C. Up-front premium for mortgage insurance.

9. Any funds received from this program must be applied to the down payment and/or closing costs. Any funds received through this program will need to be repaid to Clearfield City if the owner moves within 7 years of the date of closing. During the required time of residency, 10% for each year of residency will be forgiven over a period of six years with the remaining 40% balance credited after the full seven years of residency is completed. To receive these credits, Buyer(s) will be required to provide proof of residency in the form of utility billings and property tax notices for each year. No credit will be awarded without proof of residency as described above.
10. The purchase of said property must not lead to the displacement of any individual other than the seller and his/her immediate family.
11. Applicant must secure a fixed rate FHA, VA, or conventional financing for property purchase. No variable rate, adjustable rate, interest only, balloon payment or 80/20 split will be allowed.
12. Real property must not exceed ~~\$150,000~~ \$175,000. (Updated on August 22, 2016.)
13. A Visual Assessment must be completed by the DCHA on all homes for health and safety concerns and for Lead Based Paint concerns for homes built prior to 1978.
14. At least one applicant must complete a **HUD approved** buyer education course and provide a home buyer certificate of course completion. (See attached list of approved courses)

SIGNATURES

Davis Community Housing Authority:

Signature of DCHA Representative

Date

Mary Swanstrom
Name of DCHA Representative

Homebuyer(s):

Buyer Signature

Date

Buyer Name (Please Print)

Buyer Signature

Date

Buyer Name (Please Print)

Address of Property to be Purchased:

Address

Clearfield, Utah, 84015
City, State, Zip

Clearfield City's Down Payment Assistance Applicant Instructions

1. An applicant will be considered for the CCDP Program once they have entered into a contract with the seller and have submitted the following to the DCHA:
 - A. Completed and signed CCDP Application, signed by all adult household members.
 - B. Seller Affidavit attesting that purchasing the selected property does not lead to displacement of any current tenants.
 - C. Copy of applicant's Real Estate Purchase Contract with Seller.
 - D. Copy of previous year's tax return and four most current pay stubs and verification for any other source of income for applicant/co-applicant and any family member 18 years or older. If an applicant/co-applicant did not file a previous year's tax return, they must submit a letter stating why there was no tax return filed for the previous year.
 - E. Signed and notarized First Time Homebuyer's Affidavit.
 - F. Identification Documentation; a copy of birth certificate, passport, naturalization certificate, or resident alien card and valid Utah driver's license or identification card.
 - G. Signed Program Summary Page.
 - H. Signed Original Letter of Commitment.
 - I. Completed Visual Assessment form.

2. Upon receipt, review and approval of the above, the DCHA upon request, will issue a Letter of Commitment. The applicant must also submit the following documents:
 - A. A copy of the Preliminary Title Report stating property appears free and clear for sale to Applicant.
 - B. The completed Lender Affidavit which states the lender agrees to the terms of the CCDP Program.
 - C. The completed Preliminary Credit Approval form from the Lender, stating that the Applicant has received preliminary credit approval and information regarding verification of current income.
 - D. Copy of Real Estate Appraisal.
 - E. Homebuyer Education Certificate from a HUD approved course or counseling agency.

NOTE: The DCHA must be informed of any participation by a co-owner, co-borrower or co-signer that will be participating in the purchase of the home whose name does not appear on the initial DCHA application. This must be done in writing, including name, relationship to applicant, and in what capacity they will be participating in the purchase. The DCHA must be informed and approve of their participation before closing.

A representative of the DCHA must perform a Visual Assessment for the presence of health and safety concerns, and the presence of potential lead-based paint dangers in homes built prior to 1978. If any potentially hazardous lead based paint conditions exist, they must be mitigated (responsibility of Seller and/or Buyer) before the DCHA can approve. The procedure outlined in "Attachment A" must be followed.

3. Upon acceptance of the required documents, the DCHA will issue a check made payable to the Title Company, to be disbursed according to a letter of instruction. The DCHA must be notified at least 10 working days prior to the date of closing. After closing, the escrow agent is to return to the DCHA all the completed documents described in the Letter of Instruction to the Escrow Agent. These documents include:
 - A. Promissory Note - This document states that the Applicant agrees to repay Clearfield City the grant amount if they should move, sell or refinance the property. Please note that the City will not subordinate to second mortgages.
 - B. Trust Deed - This document states Clearfield City is a beneficiary whereby Clearfield City has a lien on the purchased property until the grant is repaid.
 - C. Notice of Default - This document states that the first mortgage holder will notify Clearfield City if and when the Applicant defaults on payments and property goes to foreclosure.
 - D. Copy of the final Title Report or copy of Title Insurance policy issued to Buyer.

If you have any questions or concerns regarding the application process, please call Mary Swanstrom at (801) 939-9198.

MAIL OR DELIVER DOCUMENTS TO:

OR

EMAIL TO:

Davis Community Housing Authority
P.O. Box 328
352 South 200 West Suite 1
Farmington, Utah 84025
FAX: 801-451-6484

dchamswanstrom@xmission.com

**Clearfield City's Down Payment Assistance Program (CCDP)
First Time Home Buyer Application**

Primary Applicant Name: _____

Present Address: _____
Street Address
City
Zip Code

Phone: Home _____ Cell _____ Email _____

Co-Applicant Name: _____

Present Address: _____
 (if different)
 Street Address
City
Zip Code

Phone: Home _____ Cell _____ Email _____

All additional person(s) who will occupy the property as their primary residence:

Name	Relationship	Social Security #	Age	UNITED STATES
				<input type="checkbox"/> YES <input type="checkbox"/> NO
				<input type="checkbox"/> YES <input type="checkbox"/> NO
				<input type="checkbox"/> YES <input type="checkbox"/> NO
				<input type="checkbox"/> YES <input type="checkbox"/> NO
				<input type="checkbox"/> YES <input type="checkbox"/> NO
				<input type="checkbox"/> YES <input type="checkbox"/> NO
				<input type="checkbox"/> YES <input type="checkbox"/> NO
				<input type="checkbox"/> YES <input type="checkbox"/> NO

The following information is for survey purposes only, and does not affect an Applicant's eligibility.

Is the head of household: Male Female Is any member of the household disabled?: Yes No

Ethnicity Hispanic or Latino or Not Hispanic or Latino

Race (please check one or more of the following):

- American Indian/Alaskan Native Asian Black/African American Native Hawaiian/Other Pacific Islander
 White

Monthly Gross Income

Source	Applicant	Co-Applicant	Other Household Member over 18	Total
Wages including overtime				
Commission/Tips/Bonuses				
Military Pay				
Net Business Income				
VA Benefits				
Social Security				
Pension/Retirement				
Alimony, Child Support				
Unemployment Benefits				
Workers Compensation				
Other				
TOTALS:				

I have fully disclosed all current household income of those 18 and older and all household members who will be full time residents in the subject property.

I have not owned a home in the past three years.

I am a United States citizen or have permanent resident status.

I understand I must live in the home for seven (7) years in order for the grant to be fully forgiven.

I have been pre-approved to purchase a home for \$_____

I understand the grant is designed for first time home buyers who would not be able to purchase or afford a home without assistance and applicants must demonstrate a need for the grant funds. DCHA at its sole discretion may deny funds for applicants.

I have \$_____to be used toward the purchase of the home.

***Authorization of the Release of Information:** I authorize the release of any information, including documentation and other materials pertinent to the eligibility for participation in the Clearfield City Down Payment Assistance Program, which is being administered by the DCHA. Individuals from organizations that may release information include my lender, realtor and providers of my income.*

Applicant Signature

Date

Applicant Signature

Date

Equal Opportunity

In accordance with the provisions of the Equal Opportunity Act and the Program’s policies, there will be no discrimination against an applicant for these funds on the basis of age, source of income, sex, race, marital status, sexual orientation, national origin, religion or handicap.

I certify under penalty of perjury that the information in this application is true and correct to the best of my knowledge. I understand that false or misleading information may result in the rejection of this application.

Warning: *Section 1001 of Title 18 of the U.S. Code making it a criminal offense to make willful false statements or misrepresentations to any department or agency of the U.S. as the any matter within its jurisdiction.*

I hereby apply for a \$_____ CCDP grant, which is administered by the Davis Community Housing Authority, to assist with the down payment and closing costs. I agree to comply with all terms and conditions related to the grant.

Applicant Signature

Date

Applicant Signature

Date

Clearfield City's Down Payment Assistance Program (CCDP)

Property Information

The following information pertains to the property to be purchased.

Applicant: _____ Co-Applicant: _____

Property Address to be purchased: _____ Clearfield Utah
Street Address City State

Purchase Price: \$ _____ Appraised Value: \$ _____ Year home was built _____

Down Payment Amount from buyer(s): \$ _____

Name of Mortgage Company: _____ Phone Number: _____

Name of Loan Officer: _____ Estimated Closing Date: _____

Confirmation of Receipt of Lead Pamphlet

I have received a copy of the pamphlet, "Protect Your Family From Lead In Your Home", informing me of the potential risk of lead hazard exposure from a home built before January 1978.

Applicant Signature Date

Applicant Signature Date

A representative of the DCHA must perform a visual assessment for the presence of health and safety concerns, and the presence of potential lead-based paint dangers in homes built prior to 1978.

The representative will be contacting the buyer's realtor to make arrangements to inspect the home. The inspection should take place at least a week prior to the closing date.

Please provide the information below:

Realtor: _____ Cell #: _____

Company Name: _____ Office #: _____

Home is currently occupied Home is vacant

AFFIDAVIT OF FIRST-TIME HOMEBUYER

STATE OF UTAH)
: SS
COUNTY OF DAVIS)

AFFIANT, being first duly sworn, states and represents that:

1. Affiant is a first-time homebuyer* and has signed a Real Estate Purchase Contract to purchase the property located at:

Street Address Clearfield
City

****Definition of a first time home buyer is an individual, and his or her spouse who have not owned a home during the 3-year period ending on the date of purchase of property. The term first-time home buyer also includes a displaced homemaker or a single parent who has only owned a home with a spouse.***

2. Affiant acknowledges that in order to qualify for these funds they must occupy the above-mentioned residence for a minimum of 7 years. During the required time of residency, 10% for each year of residency will be forgiven over a period of six years with the remaining 40% balance credited after the full seven years of residency is completed. To receive these credits, Buyer(s) will be required to provide proof of residency in the form of utility billings and property tax notices for each year. No credit will be awarded without proof of residency as described above.

Date

Signature of Affiant (Homebuyer)

Printed Name of Affiant (Homebuyer)

Signature of Affiant (Homebuyer)

Printed Name of Affiant (Homebuyer)

SUBSCRIBED and sworn to before me on this _____ day of _____, 20_____.

(Stamp)

Notary Public

**CLEARFIELD CITY'S DOWN PAYMENT ASSISTANCE PROGRAM
LETTER OF COMMITMENT FROM DCHA**

Whereas _____ have/has provided the following:
Buyer(s)

1. A completed Clearfield City grant application.
2. A copy of an executed purchase agreement for the purchase of a single family dwelling located within the eligible area.
3. A signed and notarized Seller Affidavit.
4. A copy of applicant's previous year's tax return and current pay stubs.
5. A signed and notarized First-Time Homebuyer Affidavit.
6. Documentation of Citizenship Status and Age.

And whereas the Davis Community Housing Authority has reviewed the application and found it to meet all program requirements, the Grantee hereby acknowledges application for a grant of \$_____ and agrees to adhere to the requirements and procedures specified in this letter. Signature of the closing documents for the purchase, including the Grantor's Trust Deed and Promissory Note, will constitute the Grantee's acceptance of the grant on the terms specified in this Letter of Commitment.

COMMITMENT

Subject to the Grantee's following all procedures described in this Letter of Commitment, and fulfilling all requirements described herein, and upon the execution of the Trust Deed, Promissory Note, Notice of Default and obtaining the execution of the Lender's Affidavit, the Grantor hereby agrees to provide a grant of \$_____ to the undersigned Grantee(s), and acknowledges that said property is located at:

_____	Clearfield	Utah	84015
Address	City	State	Zip

This commitment of grant funds shall terminate forty-five (45) days from the date of the Letter of Commitment.

REQUIREMENTS

1. Buyer shall have a period of forty-five (45) days from the date of the Letter of Commitment to close on the property. A fixed-rate FHA, VA or other conventional first mortgage financing shall be allowed. There shall be no seller financing.
2. After receiving this Letter of Commitment and before any funds can be released, the buyer(s) shall provide to the DCHA:
 - a. A copy of a preliminary title report covering the property listed above.

IF THIS IS TO BE A SPLIT CLOSING WITH TITLE COMPANIES, THE DAVIS COMMUNITY HOUSING AUTHORITY MUST BE GIVEN THE INFORMATION FOR BOTH THE SELLER'S AND THE BUYER'S TITLE COMPANIES.

- b. Preliminary credit approval from the lender and verification of current household income reflecting applicant's total household income does not exceed eligibility criteria.
 - c. An executed Lender's Affidavit.
 - d. A copy of the appraisal for the property to be purchased.
3. After receipt of the above listed documents, our office will require **10** business days before funds can be issued.
4. Before funds can be released the DCHA must complete a Visual Assessment of the home for the presence of lead based paint dangers in homes built prior to 1978.
5. At the time of closing the Buyer will be required to sign a Visual Assessment Disclaimer acknowledging that the DCHA accepts no responsibility for any problems disclosed or not disclosed in their Visual Assessment Report.
6. At the time of closing, title must be vested in fee simple interest of the buyer(s), and the Trust Deed and Notice of Default securing the interest of Clearfield City is properly recorded. **Clearfield City must hold second priority trust deed on the property.**
7. The grant provided by CCDP to the buyer(s) cannot exceed 50% of the down payment required for the loan to purchase the home. In addition to down payment assistance, the grant can be used for any closing costs not paid by others and/or the up-front mortgage insurance premiums. Grant funds cannot be used for loan reduction, realtor's commissions, cash back or to buy down points.
8. The grant provided by Clearfield City to the buyer(s) must be used by the buyer(s) for down payment and/or closing costs only. Home buyers must provide the remaining required down payment that is not provided by the CCDP grant. Buyers must contribute a minimum of \$_____ of personal funds toward the purchase of the home.
9. If the buyer(s) sell, exchange, transfer title, obtain a second mortgage, or cease using the purchased property as their primary residence, the grant funds provided shall be repaid to Clearfield City, based on the agreement.
10. The grant shall be disbursed at time of closing and duly recorded on the closing settlement statement. These funds shall only be disbursed after the Promissory Note, Trust Deed, Request for Notice of Default, and Visual Assessment Disclaimer Affidavit are executed and notarized.

11. The residence to be purchased must be zoned for residential use only and is limited to a detached single-family dwelling; townhomes, condominiums, and other attached multiple-family residences are not eligible.
12. The buyer(s) must occupy the property to be acquired as the buyer(s)' primary personal residence
13. No Member of the Board of Directors, staff member of the DCHA or Clearfield City shall have any interest in the transaction with the buyer(s).

SIGNATURES

Davis Community Housing Authority:

Jan Winborg
Executive Director

Date

Mary Swanstrom
Rehab Specialist

Date

Homebuyer(s):

Buyer Signature

Date

Buyer (Print Name)

Buyer Signature

Date

Buyer (Print Name)

Address of Property to be Purchased:

Property Street Address

Clearfield, Utah 84015

City, State, Zip code

CLEARFIELD CITY'S DOWN PAYMENT ASSISTANCE
VISUAL ASSESSMENT FORM

Applicant:

Please provide the information listed below. A representative of the DCHA must perform a Visual Assessment for the presence of health and safety concerns, and the presence of potential lead-based paint dangers in homes built prior to 1978. **Year home was built** _____ .

Applicant is aware that a Davis Community Housing Authority representative will be contacting them or their realtor to make arrangements to inspect the home. The inspection should take place at least a week prior to the closing date.

Address of home to be purchased: _____
Street
_____ *Clearfield, UT 84015* _____
City, State, Zip

Estimated Closing Date: _____

Applicant's Name: _____
Telephone #'s: Home _____
Work _____
Cell _____

Name of Homebuyer's Realtor: _____

Company Name: _____

Telephone #'s: Home _____
Work _____
Cell _____

Name of Seller's Realtor: _____

Company Name: _____

Telephone #'s: Home _____
Work _____
Cell _____

DATE: _____

8. As indicated in the purchase offer, no additional tenant may be permitted to occupy the property without first being issued a prospective tenant notice.

I hereby acknowledge my responsibilities under the preceding statement and declare the occupancy list to be accurate to the best of my knowledge and belief. I understand this information is submitted for the purpose of preventing conflict with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. If I fail to provide accurate occupancy information for the above mentioned property, Clearfield City may hold me liable for the cost of all relocation claims and legal costs relating to persons omitted from the occupancy list.

Affiant Signature (Seller)

Print Name

Co-Affiant Signature (Co-Seller)

Print Name

SUBSCRIBED and sworn to before me on this _____ day of _____, 20____.

(STAMP)

NOTARY PUBLIC

PRELIMINARY CREDIT APPROVAL

To: Davis Community Housing Authority
P.O. Box 328, 352 South 200 West Suite 1
Farmington, Utah 84025

Re: _____ Date: _____
Buyer's Name(s)

The above named individual(s) has/have received preliminary credit approval to purchase a home located at:

Address City State
Clearfield Utah

The appraised value of the home is: \$_____ Not Available at this time

The current household income for the above referenced Buyer(s), has been verified and the total gross annual household income has been calculated to be: \$_____

The buyer (s) will provide \$_____ (50% of required down payment, \$1,000 minimum) of his/her own money toward the purchase of the above home. These funds must be documented by the buyer.

The grant amount requested is \$_____

This preliminary credit approval is contingent on the Buyer(s) meeting all requirements of our lending institution for closing. The anticipated closing date is _____.

The buyer(s) above will be receiving the following type of loan interest rate:

Type of Loan: FHA VA Conventional Loan Interest Rate _____

Buyer's Title Company: _____ Phone _____

Address City State Zip

Seller's Title Company: _____ Phone _____

Lending Officer Signature

Name of Lending Institution

Lending Officer - Print Name

Address

Telephone

City Zip

CLEARFIELD CITY'S DOWN PAYMENT ASSISTANCE
LENDER AFFIDAVIT

STATE OF Utah }
 : ss
COUNTY OF Davis }

THE UNDERSIGNED OFFICER, BEING FIRST DULY SWORN, DEPOSES AND SAYS THAT:

1. The Undersigned represents the Lender responsible for issuing the purchase money loan (in first position) for the purchase of the residence located at:

_____ Clearfield Utah _____,
Street Address City State

and issued to _____ as Buyer (s).

2. The Undersigned has read the "Clearfield City Down Payment Assistance Program Summary" and Letter of Commitment executed between Davis Community Housing Authority, on behalf of Clearfield City, and the Buyer(s), with respect to the grant being made to help finance down payment and closing costs associated with the above residence.

Name of Lending Institution

Address

Phone Number

Signature of Lender's Representative

_____ _____
Name of Lender's Representative Title

On the _____ day of _____, 20____, personally appeared before me _____, who being first duly sworn says that they executed the above instrument and that said person was authorized to make the representations by the above lending institution, and that said instrument was signed on behalf of the above lending institution.

Subscribed and sworn to before me this _____ day of _____, 20_____.

(Stamp)

Notary Public

HUD Approved Homebuyer Education Courses

Online Homebuyer Course

Offered by Utah State University Extension at
this web site:

<http://extension.usu.edu/cooperative/hbe/>

***You will have to pay \$45 to receive the certificate of completion.**

Community Development Corporation of Utah

501 East 1700 South
Salt Lake City, Utah 84105
Phone: 801-994-7222 ext.104
Toll Free: 866-994-7222

www.cdcutah.org

\$75 fee

Utah State University Extension

Check schedule for class schedules and locations
Salt Lake City, Utah
Phone: 801-468-3179

<http://extension.usu.edu/saltlake>

\$45 fee

AAA Fair Credit Foundation

230 West 200 South #3104
Salt Lake City, Utah 84101
Phone: 800-351-4195

www.faircredit.org

\$50 fee

ATTACHMENT A

Lead Based Paint Procedures

New regulations from the Department of Housing and Urban Development (HUD: 24 CFR Part 35 subpart K) require increased activities concerning possible lead based paint hazards in homes built before 1978. The primary reason why HUD and its grantees are addressing lead based paint hazards is to protect families and children. When deteriorated lead based paint surfaces are present, children under the age of 6 are in danger of being poisoned through the ingestion or inhalation of lead based paint dust, paint chips and/or lead based paint contaminated soil around the exterior of the home.

The following procedures are required for all homes built prior to 1978 before down payment assistance to a family purchasing such a home can be approved.

1- Notification

- a. Pamphlet and Disclosure.
- b. Notice of Lead Hazard Evaluation or Presumption, if applicable.
- c. Notice of Lead Hazard Reduction Activity.
This printed information will be part of the initial application packet.

2- Lead Hazard Evaluation

- a. Visual Assessment.
A visual assessment will be performed by DCHA personnel to determine whether there are deteriorated paint surfaces that could constitute a hazard to the occupants. Potentially hazardous paint surfaces are defined as more than 2 square feet of deteriorated surface on the interior of a home and more than 20 square feet of deteriorated surface on the exterior of a home. The cost to mitigate lead based paint problems will be the responsibility of the seller and/or buyer.

3- Lead Hazard Reduction

- a. Paint stabilization
- b. Safe Work Practices
- c. Clearance
If a home fails the Visual Assessment, the deteriorated surfaces must be repaired and stabilized. This work must be performed by a State of Utah Certified Lead Based Paint Contractor using Safe Work Practices as required by HUD, the EPA and OSHA. Following the completion of Paint Stabilization, a Clearance Test must be completed by a Certified Lead Based Paint Inspector or Risk Assessor to verify that the stabilization work has been successful and that the home is clean of hazardous residues.

The home seller could choose to have the home tested to determine whether lead based paint is present. The DCHA will accept this test report if it is performed by a Certified Lead Based Paint Inspector or Risk Assessor following HUD guidelines. The cost for private testing will be solely the responsibility of the seller.

FILE CHECK LIST

√ - boxes below for submitted documents

INITIAL APPLICATION

Completed & Signed Application	Real Estate Purchase Contract
Latest Year Tax Return	Visual Assessment Form
Current Pay Stubs	Copy of Birth Certificates (Adults Only)
Other Income	Copy of Picture ID (Adults Only)
Seller's Affidavit	Homebuyer Education Certificate
First Time Homebuyer Affidavit	
Program Summary Signature page	Co-Signer Documentation (if applicable)
Letter of Commitment with buyer signature(s)	

SUPPORT DOCUMENTS

Preliminary Credit Approval	To be completed by Housing Authority
Lender Affidavit	Visual Inspection
Preliminary Title Report	Environmental Review
Copy of Appraisal	Property Tax Evaluation
	Lead Based Paint Pamphlet Given to Buyer
	Confirmation of lead-based paint pamphlet
	Year Home Built _____ Verified _____